

This Honorable Court issued an Order Authorizing Issuance of Process of Maritime Attachment and Garnishment on February 10, 2021. (Doc. 8). The Clerk of the Court issued the Process of Maritime Attachment and Garnishment the next day. The garnishee bank, JP Morgan Chase Bank N.A. was personally served with the Verified Complaint, Summons, Order for Issuance of Maritime Attachment and the Process of Maritime Attachment and Garnishment (collectively “Order and Writ”) on February 12, 2021. The garnishee bank confirmed through counsel on March 3, 2021 that funds in the defendant’s bank account totaling \$1,200,000 were attached pursuant to the Order and Writ of Attachment. The garnishee bank continues to hold the funds as security for Plaintiff’s claims. Given that the full amount of security sought was attached, Plaintiff waived the requirement for the garnishee to formally answer interrogatories pursuant to Supplemental Rule B(3)(a).

2. Contemplated Motions

Defendant has not yet appeared in the action, but counsel for Defendant has confirmed to the undersigned the attachment of Defendant’s property held by garnishee JP Morgan Chase. Defendant has represented that it has a counterclaim it is pursuing in London arbitration and is therefore seeking countersecurity pursuant to Supplemental Rule E(7). The parties have been discussing and negotiating whether countersecurity in an agreeable quantum and amount can be agreed. If it cannot, it is anticipated that Defendant will make an application to this Court for countersecurity. *See* Supplemental Rule E(7).

Plaintiff anticipates that once the countersecurity issue is resolved, Plaintiff will file a motion to administratively close the case and stay the matter pending the outcome of the underlying London arbitration. *See, e.g. Sembawang Shipyard, Ltd. v. Charger, Inc.*, 955 F.2d 983, 985 (5th Cir. 1992)(citing with approval the district court’s entry of stay of the Rule B attachment action pending arbitration); *Cordoba Shipping Co. v. Maro Shipping, Ltd.*, 494 F. Supp. 183 (D. Conn.

1980) (district court granted stay pending arbitration following attachment of funds pursuant to Rule B order of attachment).

3. The Prospect for Settlement

The parties are continuing to discuss the issue of countersecurity and if there is an ability to reach agreement, the Court will be promptly notified. If not, the parties anticipate discussing a proposed briefing schedule for the Court's consideration at the conference.

Conclusion

Plaintiff will provide Defendant's counsel with a copy of this Status Report, the details for telephonically appearing at the upcoming Initial Pretrial Conference, and request that Defendant's counsel file a Notice of Appearance prior to the conference. In advance, we thank the Court for its time and attention to this matter.

April 14, 2021

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on April 14, 2021, I electronically filed the foregoing with the Clerk of the Court using the cm/ECF System which will send a Notice of Electronic Filing to all registered users. I also provided an email copy of the filing to the below counsel:

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